

GLOBAL CLIMATE CHANGE: Regional Development Mission for Asia

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Creating and fostering partnerships has proven to be one of the most efficient and productive means to achieving USAID's goals on a variety of issues in a multitude of countries. In Asia, particularly, USAID has succeeded in reducing greenhouse gas emissions and increasing energy efficiency with the assistance of its many collaborators and supporters.

Regional programs are a vital part of USAID's efforts to support U.S. foreign policy priorities in Asia and the Near East. USAID's regional environment programs include helping Asian governments mitigate global climate change, advance their development goals, enhance their energy security, and cope with the environmental effects of rapid urbanization and industrialization. Regional programs address transnational development challenges that impact multiple countries at once and require regional cooperation to solve. Currently, USAID's Regional Development Mission for Asia (RDM/A) manages programs in 15 countries in Southeast Asia, South Asia, and East Asia.

Background. During the coming 30 years, the direction that Asian countries embark upon to meet their energy needs will have profound impacts on global climate change and energy security for the region and the world. Asia currently accounts for about 26% of global carbon dioxide (CO₂) emissions, and its share of emissions is projected to increase to nearly 50% by 2030.¹ By 2009, China is expected to surpass the United States as the world's largest emitter of greenhouse gases (GHGs)—a full decade earlier than anticipated.² In addition, the burning of coal to meet Asia's energy needs is projected to increase five-fold by 2030, accelerating GHG emissions and further contributing to global climate change.³

Increasingly, Asian countries are importing fossil fuels to sustain their rapid economic growth, and this is raising concerns about energy security. By 2030, it is expected that 80% of Asia's oil will be imported from the Middle East.⁴

Reserves of natural gas in Asia (a cleaner burning fossil fuel) are limited, and 40-75% of natural gas will be imported by 2030 to satisfy demand.⁵ This future dependence on imported fossil fuels raises legitimate concerns for Asian countries about price volatility and shocks, and supply disruptions.

¹ USAID. (February 2007). Clean Energy Priorities for Asia: A Regional Imperative for Clean Development, Climate Change, and Energy Security. Review draft for USAID Regional Development Mission/Asia. Bangkok.

² IEA. (2006). World Energy Outlook 2006. International Energy Agency: Paris.

³ IEA. (2006). World Energy Outlook 2006. International Energy Agency: Paris.

⁴ Saha, P. C. (July 19-20, 2006). Overview of Energy Security and Policies Development in Asia-Pacific. Presented at the Asia-Pacific Consultations on Climate Regime Beyond 2012 - Southeast Asia, Bangkok, Thailand.

⁵ APERC. (2006). APEC Energy Demand and Supply Outlook 2006, Volumes 1 & 2. Asia Pacific Energy Research Center (APERC).

USAID's partners in climate change in Asia include*:

- Asia-Pacific Economic Cooperation (APEC)
- Asia-Pacific Partnership for Clean Development and Climate (AP6)
- Asian Development Bank (ADB)
- Association of South East Asian Nations (ASEAN)
- Clean Air Initiative for Asia (CAI-Asia)
- German Technical Cooperation (GTZ)
- Japanese Bank for International Cooperation (JBIC)
- Japanese International Cooperation Agency (JICA)
- U.S. Environmental Protection Agency (USEPA)
- The World Bank
- World Health Organization (WHO)

* Because partners change as new activities arise, this list of partners is not comprehensive.

The impact of urban air pollution on health and mortality in Asia is severe. The majority of the world's most polluted cities are in Asia. Urban air pollution in Asia is linked to 500,000 premature deaths every year, accounting for 65% of premature deaths from air pollution worldwide.⁶

Sector-Specific Climate Change Activities. *Past Achievements.* USAID's efforts to address the environmental impacts of Asia's rapid economic growth began in 1992, with the US-Asia Environmental Partnership (US-AEP) Program. Over a 13 year period, this program promoted the transfer of environmental technologies and practices through partnerships between national, state, and municipal governments, non-governmental organizations, universities, and businesses in Asia and the U.S. Among the various sectors supported, US-AEP worked to help Asian cities save energy, cut costs, and improve water delivery through support for "watergy" programs in India, Sri Lanka, and the Philippines. US-AEP promoted energy efficiency, energy conservation, renewable energy, eco-housing, and waste-to-energy programs in India, Sri Lanka, Thailand, and the Philippines while also working to strengthen government and trade association capacity to support clean energy activities over the long term.

ECO-Asia Clean Development and Climate Program. The newly established ECO-Asia Clean Development and Climate Program is an important addition to USAID's regional environment portfolio in Asia. The program promotes clean development in Asia, focusing on efforts that mitigate greenhouse gas emissions in combination with increasing economic productivity, reducing air pollution, and improving energy security in the region. While traditional development programs have focused on technology transfer and U.S.-Asia partnerships, ECO-Asia Clean Development aims to transform Asia's market by helping to expand incentives and opportunities for private sector investment in clean energy. The program will work through regional platforms to catalyze the introduction of policy incentives and greater access to financing that increase clean technology investment in China, India, Indonesia, Philippines, Thailand, and Vietnam.

⁶ UNEP. (2006). Geo Yearbook 2006. Retrieved from <http://www.unep.org/geo/yearbook/yb2006/057.asp#fig5>

For more information on the Regional Development Mission/Asia, visit:

http://www.usaid.gov/locations/asia_near_east/countries/rdma/

or

www.eco-asia.org

Program activities will help catalyze regional impact in cooperation with energy and climate change activities of the Asian Development Bank (ADB), Asia Pacific Economic Cooperation (APEC), Asia-Pacific Partnership for Clean Development and Climate (AP6), and Association of South East Asian Nations (ASEAN), and bilateral USAID energy and climate change programs. Improving regional cooperation among senior policymakers and directly engaging the private sector will better leverage growing political interest and surging private investment in clean energy, help ensure effective and sustainable results on the ground, and promote transnational replication of practices that are showing results. USAID plans to provide training to government managers on measures to: reduce regulatory and financial barriers to clean energy investment; facilitate increased access to financing from private and multilateral sources; and establish public-private partnerships for clean energy demonstrations and knowledge-sharing.